

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 **FIRST AMENDMENT TO LEASE**

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3 **THIS FIRST AMENDMENT TO LEASE** ("First Amendment") is made and  
4 entered into, in triplicate, as of the date executed by the Executive Director of the Long  
5 Beach Harbor Department, by and among the CITY OF LONG BEACH, a municipal  
6 corporation, acting by and through its Board of Harbor Commissioners, pursuant to  
7 Ordinance No. HD-\_\_\_\_\_, adopted by the Board of Harbor Commissioners of the City of  
8 Long Beach at its meeting of \_\_\_\_\_, 2018 (in its capacity as a landlord,  
9 "**POLB**"); the CITY OF LOS ANGELES, a municipal corporation, acting by and through its  
10 Board of Harbor Commissioners, pursuant to a resolution adopted by the Board of Harbor  
11 Commissioners of the City of Los Angeles at its meeting of \_\_\_\_\_, 2018 (in its  
12 capacity as a landlord, "**POLA**"; hereinafter POLA and POLB are jointly referred to herein  
13 in their respective capacities as landlords, as the "**Ports**"); and CLEAN ENERGY, a  
14 California corporation ("**Lessee**").

15 1. This First Amendment is made with reference to the following facts  
16 and objectives:

17 1.1 The Ports entered into a lease with Lessee of certain property  
18 owned by the City of Long Beach and property jointly owned by the City of Long  
19 Beach and the City of Los Angeles as of September 10, 2008 (Long Beach Harbor  
20 Department Document No. HD-7307 and Los Angeles Harbor Department  
21 Document No. \_\_\_\_\_) upon which Lessee constructed and operates a fueling  
22 station thereon which dispenses liquefied natural gas ("LNG"), compressed natural  
23 gas ("CNG") and diesel fuel (the "Lease"). Upon recordation of a certain parcel map  
24 relating to the leased premises, the Lease became effective as of November 6,  
25 2008.

26 1.2 The parties have renegotiated certain provisions of the Lease  
27 relating to the term, rent, and extension options, and agree to the following  
28 provisions.

1           2. Paragraph 4 of the Lease is hereby amended and restated in its  
2 entirety as follows:

3           “4. Subject to paragraph 8 below, the term of this Lease  
4 shall commence one year from the Lease Effective Date (the  
5 “Commencement Date”), which Commencement Date is November 6, 2009,  
6 and expire on June 30, 2023 (the “Initial Term”). Lessee, at its option, may  
7 extend the term of this Lease as set forth in paragraph 39 below.”

8           3. The first two sentences of Paragraph 5 are hereby replaced with the  
9 following:

10           “5. Lessee is authorized to and shall use the  
11 Premises for a fueling station which dispenses liquefied natural gas (“LNG”),  
12 compressed natural gas (“CNG”) and diesel fuel. Lessee shall be obligated  
13 to operate the fueling station seven (7) days a week and 24 hours per day,  
14 except and only to the extent of necessary maintenance, repairs or  
15 construction.”

16           4. Paragraph 6 of the Lease is hereby amended and restated in its  
17 entirety as follows:

18           “6. Lessee shall pay rent to the Ports as set forth below.

19

20           6.1 Lessee shall pay to the Ports, as a portion of the  
21 rental for the use of the Premises, without deduction, setoff, prior  
22 notice or demand, the sum of \$0.01 per gallon of LNG and diesel, and  
23 CNG gasoline gallon equivalent (“GGE”), sold or dispensed by Lessee  
24 from the Premises (the “Quarterly Rent”) for the period of the  
25 Commencement Date through June 30, 2018. For the period of July  
26 1, 2018 through the end of the Initial Term, the Quarterly Rent shall be  
27 the sum of \$0.03 per gallon of LNG and diesel, and CNG GGE, sold  
28 or dispensed from the Premises. This amount shall be made payable

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to POLB, and is payable quarterly in arrears within thirty (30) days after the conclusion of each calendar quarter. If the Lease expires or earlier terminates on a day other than the last day of a calendar quarter, Lessee nevertheless is obligated for and shall pay to the Ports, within thirty (30) days following the expiration or earlier termination of the Lease, the prorated rental which has accrued but not been paid through the date of such expiration or earlier termination of the Lease. POLB agrees to remit twenty percent (20%) of the Quarterly Rent received by it from Lessee to POLA (until such time as POLA no longer owns its current ownership interest in the Premises) on an annual basis.

6.2 In addition to the Quarterly Rent provided above, Lessee shall pay to the Ports, as a portion of the rental for the use of the Premises, without deduction, setoff, prior notice or demand, the sum of Eight Thousand Three Hundred Thirty-Three Dollars (\$8,333) per month ("Monthly Rent") payable in advance on the first day of each month commencing July 1, 2018, and continuing through June 30, 2020. For the one year period commencing July 1, 2020, and continuing through June 30, 2021, the Monthly Rent shall be Twelve Thousand Five Hundred Dollars (\$12,500). For the one year period commencing July 1, 2021, and continuing through June 30, 2022, the Monthly Rent shall be Sixteen Thousand Six Hundred Seventy-Seven Dollars (\$16,677). For the one year period commencing July 1, 2022, and continuing through June 30, 2023, the Monthly Rent shall be Twenty-Two Thousand Nine Hundred Seventeen Dollars (\$22,917). POLB agrees to remit twenty percent (20%) of the Monthly Rent received by it from Lessee to POLA (until such time as POLA no longer owns its current ownership interest in the Premises) on an annual

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basis.

6.3 All delinquent installments of rental and other payments due the Ports shall bear interest at the rate then in effect in Long Beach Tariff No. 4 for delinquent payments, and shall be subject to the penalty provisions of Long Beach Tariff No. 4. Rental payments are delinquent if remaining unpaid on the day after payment is due. With the exception of rental payments, all invoices issued by the Ports are due and payable upon presentation, and any such invoice remaining unpaid the thirtieth day after the date of issue shall be considered delinquent.”

5. The first sentence of subparagraph 11.2 is hereby replaced with the following:

“11.2 In addition, if the damage or destruction of any improvements is such that Lessee’s operation of the fueling station on the Premises is substantially impaired or ceases (any such instance of damage or destruction, a “Casualty”), Lessee agrees that it shall, at its sole cost, commence the repair and rebuilding of the damaged or destroyed improvements within six (6) months of such damage or destruction and shall thereafter diligently complete the repair and rebuilding of the improvements at its sole cost until such improvements are restored to substantially the same character, magnitude and function as existed immediately prior to such damage or destruction.”

6. Paragraph 39 of the Lease is hereby amended and restated in its entirety as follows:

“39. Lessee shall have one (1) five-year option and one (1) two-year option to extend the term of this Lease (individually, an “Extension Option” and collectively, the “Extension Options”); provided, that it shall be a

1 condition precedent to the exercise of the five-year Extension Option that  
2 Lessee timely repairs and rebuilds any damaged or destroyed improvements  
3 which constitute a Casualty pursuant to paragraph 11, and provided, further,  
4 that it shall be a condition precedent to the exercise of the two-year Extension  
5 Option that Lessee timely first exercises the five-year Extension Option in  
6 accordance with the provisions of this paragraph 39 (and timely repairs and  
7 rebuilds any damaged or destroyed improvements, if any, which constitute a  
8 Casualty pursuant to paragraph 11). If Lessee elects not to exercise its five-  
9 year Extension Option or otherwise fails to timely exercise its five-year  
10 Extension Option or satisfy any condition precedent to exercise of its five-  
11 year Extension Option, all Extension Options shall immediately be deemed  
12 null and void and of no further force or effect. Subject to the foregoing and  
13 to the second paragraph of this paragraph 39, for each Extension Option that  
14 is available to be exercised by Lessee pursuant to this paragraph 39, Lessee  
15 shall be required to give the Ports written notice of its election to exercise  
16 such Extension Option at least nine (9) months (but not earlier than one year)  
17 prior to the commencement of the Extension Option to be exercised.

18 Notwithstanding the foregoing paragraph, no Extension  
19 Options shall be available to be exercised during any period in which Lessee  
20 is in default under any provision of this Lease until said default has been  
21 cured. Time is of the essence. If Lessee fails to timely exercise an Extension  
22 Option in any instance where such Extension Option is available to be  
23 exercised by Lessee pursuant to this paragraph 39, in writing, prior to the  
24 expiration of the applicable time period for such Extension Option, or timely  
25 exercises an Extension Option but fails to satisfy a condition precedent to  
26 exercise of such Extension Option, Lessee's rights in the instance in question  
27 (and, in the event Lessee's failure to timely exercise or to satisfy a condition  
28 precedent was with respect to the five-year Extension Option, Lessee's rights

1 in all Extension Options), shall thereafter be deemed null and void and of no  
2 further force or effect.

3 The Extension Options shall be personal to Lessee and may  
4 not be exercised or assigned, voluntarily or involuntarily, by or to any person  
5 or entity other than Lessee, nor shall the Extension Options be assignable  
6 separate and apart from this Lease.

7 39.1 In the event Lessee timely exercises an  
8 Extension Option that is available to be exercised pursuant to this  
9 paragraph 39, the parties shall negotiate the quarterly rent and the  
10 monthly rent for the applicable Extension Option. The parties shall  
11 take into consideration the character of the Premises, its fair rental  
12 value, the fair rental value of similar types of uses, the quarterly rental  
13 and monthly rental paid for the last five years of the Initial Term, and  
14 any other facts and data necessary for the proper determination of  
15 such rent; provided, that there shall be no adjustments to the rental for  
16 (a) any matters relating to or arising from any widening of I Street,  
17 including without limitation, any adjustment, diminishment or  
18 elimination of the Access Area; (b) any failure by Lessee to commence  
19 construction of the Initial Improvements or complete construction of  
20 the Initial Improvements as set forth in paragraph 8 (including without  
21 limitation, any matters precipitating or relating to such failure to  
22 commence or complete construction, such as Lessee's inability to  
23 obtain the necessary permits and approvals to construct the Initial  
24 Improvements); (c) any termination of the Lease pursuant to  
25 paragraph 8; or (d) any termination of the Lease pursuant to paragraph  
26 11. If the parties are unable to agree on the quarterly rent or the  
27 monthly rent, the rent shall be determined in accordance with the  
28 procedures set forth in paragraphs 39.2 and 39.3.

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39.2 If the parties cannot reach agreement with respect to the all aspects of the rent for the Extension Options provided in Paragraph 39, if exercised, at least ninety (90) days prior to the beginning of the Extension Options so exercised, the matter shall be submitted to binding arbitration. The Ports and Lessee, at their cost, shall appoint a total of two real estate appraisers who each have at least five (5) years' full time commercial and/or industrial appraisal experience in the Long Beach and Los Angeles harbor areas and who each are qualified as a member of the American Institute of Real Estate Appraisers. The Ports shall collectively agree upon one appraiser whose costs shall be shared between the Ports in accordance with the percentages set forth in the first sentence of paragraph 3, and Lessee shall appoint the other appraiser at its own cost. If the Ports or Lessee do not appoint an appraiser within ten (10) business days after the other party has given notice of the name of its appraiser, the single appraiser appointed shall be the sole appraiser and shall determine the rent within forty-five (45) days after his or her appointment. If two (2) appraisers are appointed, each within forty-five (45) days after the selection of the second appraiser shall state his or her opinion as provided in subparagraph 39.2.1 as to the compensation payable by Lessee to the Ports. As used in his Lease, "business day" refers to any day other than (a) Saturday, (b) Sunday, and (c) any other day which is specified or provided for as a holiday in the California Government Code.

39.2.1 Appraisal Reports. On or before the expiration of the forty-five (45) day period, the appraiser or appraisers shall prepare and furnish the party or parties who appointed the appraiser with a report setting forth the rent payable by Lessee with

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supporting data and his or her reasons supporting the conclusions. In preparing their reports, both appraisers shall take into consideration, among other factors, the provisions of this Lease which identify events for which there shall be no rent adjustment. The parties shall promptly exchange reports and shall have ten (10) business days after the exchange of the reports to further negotiate the rent payable by Lessee.

39.2.2 Third Appraiser. If the parties cannot agree as to the rent payable by Lessee, the Ports and Lessee shall promptly notify their designated appraiser of that fact and the two appraisers shall promptly select a third appraiser meeting the qualifications stated in subparagraph 39.2. If they are unable to agree on the third appraiser, the Ports or Lessee, by giving ten (10) days' notice to the other party or parties may apply to the Presiding Judge or Assistant Presiding Judge of the Superior Court of the County of Los Angeles, or the Presiding Judge of the South District of said Court, who shall select and appoint the third appraiser. The Ports, on the one hand, and Lessee, on the other hand, shall each bear one-half of the cost of appointing the third appraiser and of paying the third appraiser's fee (the Ports' one-half share of the third appraiser's cost shall be divided between the Ports in accordance with the percentages set forth in the first sentence of paragraph 3). The third appraiser shall (i) promptly meet and confer with the two appraisers appointed by the parties; (ii) review the reports of the two appraisers and the supporting data and reasons supporting the respective conclusions; (iii) determine the rent payable by Lessee; and (iv) notify the parties of his or her determination within ten (10) business days after his or her appointment; provided however that said determination shall not result

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in Lessee paying rent in an amount lower than nor higher than the determinations of the two appraisers appointed by the parties.

39.3 Memorandum. After the rent has been determined (whether by negotiation or arbitration), the parties agree that they shall promptly execute a memorandum setting forth the adjusted rent. The adjusted rent shall be effective immediately and retroactive to the first day of the applicable Extension Option.”

7. This First Amendment may be entered into in any number of counterparts and by different parties hereto in separate counterparts each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

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8. Except as specifically provided in this First Amendment, all terms and conditions of the Lease shall remain unchanged and in full force and effect.

**LESSEE:** CLEAN ENERGY, a California corporation

November 9, 2018

By: Robert M. Vreeland  
Name: Robert M. Vreeland  
Title: CFO

November 9, 2018

By: Mitchell W. Pratt  
Name: Mitchell W. Pratt  
Title: COO & Corporate Secretary

**POLB:** CITY OF LONG BEACH, a municipal corporation, acting by and through its Board of Harbor Commissioners

\_\_\_\_\_, 2018

By: \_\_\_\_\_  
Mario Cordero  
Executive Director  
Long Beach Harbor Department

Approved as to form this \_\_\_ day of \_\_\_\_\_, 2018.

CHARLES PARKIN, City Attorney

By: \_\_\_\_\_  
David R. Albers, Deputy

[Signatures continue on next page.]

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POLA:

CITY OF LOS ANGELES, a municipal corporation, acting by and through its Board of Harbor Commissioners

\_\_\_\_\_, 2018

By: \_\_\_\_\_  
Eugene D. Seroka  
Executive Director  
Los Angeles Harbor Department

Attest: \_\_\_\_\_  
Board Secretary

Approved as to form this 10<sup>th</sup> day of December, 2018.

MICHAEL N. FEUER  
City Attorney

By: \_\_\_\_\_  
*Houterman*

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of Orange

On 11/9/18 before me, Michelle I. Brody Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Robert M. Vreeland  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Michelle I Brody  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: First Amendment to Lease Document Date: 11/9/18

Number of Pages: 11 Signer(s) Other Than Named Above: —

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of Orange )

On 11/9/18 before me, Michelle I Brody, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Mitchell W. Pratt  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Michelle I Brody  
Signature of Notary Public

Place Notary Seal Above

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- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_